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**ARKANSAS PUBLIC SERVICE COMMISSION SUPPORTS
PRINCIPLES AND OBJECTIVES OF THE NATIONAL ACTION PLAN
FOR ENERGY EFFICIENCY**

The Arkansas Public Service Commission announced its support for the 2006 "National Action Plan for Energy Efficiency", a broad, consensus-based energy action plan just unveiled today. This Action Plan has resulted from the collaborative efforts of a large coalition of federal and state governmental agencies and private companies across the country, with the National Association of Regulatory Utility Commissioners (NARUC), Department of Energy (DOE), and Environmental Protection Agency (EPA) all taking a lead role. Associations of state utility commissioners from all regions of the country, including the Southeastern Association of Regulatory Utility Commissioners (SEARUC) and the Mid America Regulatory Conference (MARC), both of which include Arkansas, have endorsed these public policy objectives in recently adopted resolutions and are also announcing various regional and state-specific implementation commitments.

The primary focal point of this Plan is for state policy makers to consider expanded use of energy efficiency measures within their states, and to review the applicability of such measures based on their own state-specific circumstances. The plan recommends several key recommendations for public policymakers and private industry in each region, in the hopes of saving consumers billions of dollars in energy costs over the next 15 years. These recommendations are:

- Recognize energy efficiency as a high priority energy resource;
- Make a strong, long-term commitment to cost-effective energy efficiency as a resource;
- Broadly communicate the benefits of and opportunities for energy efficiency;
- Promote sufficient and stable program funding to deliver energy efficiency where cost-effective; and
- Modify policies to align utility incentives with the delivery of cost-effective energy efficiency and modify ratemaking practices to promote energy efficiency investments;

"All energy consumers are winners when economically beneficial energy efficiency programs are adopted by policy makers," said Arkansas Public Service Commission Chairman Sandra Hochstetter. "With prices for electricity and natural gas continuing to increase, policy makers should rely on all programs and resources, such as energy efficiency measures, to reduce these costs. The recommendations of the National Action Plan on Energy Efficiency will provide support to state policymakers as they work to develop state policies on improving energy efficiency efforts. The Arkansas Public Service Commission has already embarked on such initiatives through its Docket No. 06-004-U, which will lead to the adoption of rules and guidelines pertaining to the cost-effective delivery of utility-sponsored conservation and energy efficiency programs in the State of Arkansas. It is our intention to move towards implementation of all such cost-effective measures as expeditiously as possible, so that customers will be able to receive these benefits in a timely manner."

For more information, contact Arkansas Public Service Commission Chairman Sandra Hochstetter at (501) 682 - 1455, or Arkansas Commissioner and SEARUC President Daryl Bassett at (501) 682 - 1455.